Note: Platts is a McGraw-Hill Company (see Company description below the story)

## IPAA-funded review faults EPA draft report on Pavillion contamination

Knoxville, Tennessee (Platts)--16May2012/215 pm EDT/1815 GMT

A producer group-funded analysis of the US Environmental Protection Agency's draft report on drilling activities near Pavillion, Wyoming, disputes the EPA's claim of groundwater contamination, claiming the agency used flawed data, methodology and analysis.

The review conducted by groundwater and hydrogeology consultant S.S. Papadopulos & Associates found that "the data and analysis does not support the EPA's conclusions, including the agency's primary claim of contamination caused by hydraulic fracturing activity."

EPA also "employed unapproved analytical methods and improperly conducted various field procedures, misinterpreted data used to draw conclusions; and EPA's 'lines of evidence' can be adequately explained with alternative hypothesis," said the Independent Petroleum Association of America, which funded the review.

EPA issued its draft report in December on water samples taken over a three-year period from sites where hydraulic fracturing is being utilized in drilling around Pavillion. The EPA found that water beneath the town "contains compounds likely associated with gas production practices, including hydraulic fracturing."

The draft findings set off a firestorm of criticism from the oil and gas industry and Wyoming state officials. In March, the EPA said it was delaying a peer review of the draft report until the US Geological Survey releases the findings of additional samples taken from deep wells in the area.

SSP&A found that EPA did not effectively distinguish between naturally occurring methane and other conditions, and the effects of drilling and fracturing activities in its analysis. The consultant cited poor study design, lack of baseline and background data, analytical concerns that lead to incorrect conclusions, "serious errors" in the construction, development and sampling of monitoring wells and lack of suitable samples.

EPA must conduct additional work, the consultant said, "including additional well development and sampling, based on an improved study design that accounts for the hydrogeologic conditions of the sampling area, realistic potential migration pathways and the presence of pre-existing, naturally occurring petroleum compounds and other

## constituents."

"Through this review, the science speaks for itself," said Lee Fuller, IPAA vice president of government relations. "Unfortunately, the EPA has continued to miss the mark with its draft report. It is our hope that this study's flaws will challenge and guide the agency toward better methodology and reporting in the future."

--Stephanie Seay, <u>stephanie seay@platts.com</u> <u>jason\_lindquist@platts.com</u> regulators

Energy Companies Rankings<sup>TM</sup>

Top 250 Global
Platts Global Energy Awards

The McGraw-Hill Companies